applicable to the nature of the income.

18. Under policy on portfolio investment, Foreign Institutional Investors (FIIs) are permitted to invest in a company upto an aggregate of 24% of equity shares, extendable upto 30% subject to approvals. This limit has been raised from 30% to 40% in the Budget 2000-01.

19. Under the Employee Stock Option Scheme, income tax payable on income from GDRs purchased in foreign currency by a a resident employee of IT software and service companies, shall be at a concessional rate of 10%.

20. To induce more investment for R&D activities, a weighted deduction of 125% on the sums paid to any university, college or an institution or a Scientific research association for the purposes of scientific, social or statistical research has been provided.

21. Information Technology Act 2000 has been enacted. This act deals with Cyber Security, Cyber Crime and other information security related legal aspects. This will encourage expansion of e-commerce through internet.

22. STPI has set up a business support centre in the USA, which is operational since November, 1999, to promote business for STP units and provide marketing support to SMEs.

Benefits of IT for weaker sections

†2939. SHRI JANESHWAR MISHRA: Will the Minister of INFORMATION TECHNOLOGY be pleased to state:

(a) whether it is a fact that Government have decided to provide Rs. 2000 crores for information technology;

(b) if so, the amount out of the said funds that would be utilised

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†Original notice of the question was received in Hindi.

for making a consolidated arrangement to make available the said information technology to the students of weaker section living in small cities and towns;

(c) whether it is also a fact that there is a possibility of shortage of trainers for information technology; and

(d) if so, the part of said fund which would be utilized for bringing up the trainers?

THE MINISTER OF INFORMATION TECHNOLOGY (SHRI PRAMOD MAHAJAN): (a) and (b) The Task Force on Human Resource Development (HRD) in IT in its interim report has recommended an investment of Rs. 2000 crores over a period of seven years (upto 10th Five Year Plan) to ensure supply of adequate and quality manpower in IT sector.

No separate amount is earmarked for students from weaker sections, but the initiatives will benefit all students including weaker section.

(c) and (d) Yes, Sir. Faculty development fund (national level) is proposed with a possible support of Rs. 140.00 crores.

Action against defaulter Institutes

†2940. SHRI BALKAVI BAIRAGI: Will the Minister of LABOUR be pleased to state:

(a) what action has been taken by Government against the institutes that have failed to make timely deposit of Provident Fund contribution;

(b) whether it is a fact that 21,698 such institutes have been declared as defaulters till 31st March, 2000 which are owing more than one thousand fifty eight crore of rupees; and

(c) if so, the number of institutes that have repaid the dues as well as the remaining defaulters?

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†Original notice of the question was received in Hindi.